

IC 5-28-16

Chapter 16. Indiana Twenty-First Century Research and Technology Fund

IC 5-28-16-1

"Fund"

Sec. 1. As used in this chapter, "fund" refers to the Indiana twenty-first century research and technology fund established by section 2 of this chapter.

As added by P.L.4-2005, SEC.34.

IC 5-28-16-2

Fund established; purposes; administration; budget agency review and approval of grants and loans

Sec. 2. (a) The Indiana twenty-first century research and technology fund is established within the state treasury to provide grants or loans to support proposals for economic development in one (1) or more of the following areas:

(1) To increase the capacity of Indiana postsecondary educational institutions, Indiana businesses, and Indiana nonprofit corporations and organizations to compete successfully for federal or private research and development funding.

(2) To stimulate the transfer of research and technology into marketable products.

(3) To assist with diversifying Indiana's economy by focusing investment in biomedical research and biotechnology, information technology, development of alternative fuel technologies, development and production of fuel efficient vehicles and other high technology industry clusters requiring high skill, high wage employees.

(4) To encourage an environment of innovation and cooperation among universities and businesses to promote research activity.

(b) The fund consists of:

(1) appropriations from the general assembly;

(2) proceeds of bonds issued by the Indiana finance authority under IC 4-4-11.4 for deposit in the fund; and

(3) loan repayments.

(c) The corporation shall administer the fund. The following may be paid from money in the fund:

(1) Expenses of administering the fund.

(2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.

(d) Earnings from loans made under this chapter shall be deposited in the fund.

(e) The budget agency shall review each recommendation. The budget agency, after review by the budget committee, may approve, deny, or modify grants and loans recommended by the board. Money in the fund may not be used to provide a recurring source of revenue for the normal operating expenditures of any project.

(f) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the state general fund.

(g) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund to be used exclusively for the purposes of this chapter.

As added by P.L. 4-2005, SEC. 34. Amended by P.L. 1-2006, SEC. 128; P.L. 2-2007, SEC. 108; P.L. 127-2007, SEC. 1.

IC 5-28-16-3

Application for grant or loan from fund

Sec. 3. (a) An application requesting a grant or loan from the fund must be targeted to one (1) or more of the areas listed in section 2 of this chapter.

(b) A successful applicant for a grant or loan from the fund must meet the requirements of this section and be approved by the board. An application for a grant or loan from the fund must be made on an application form prescribed by the board. An applicant shall provide all information that the board finds necessary to make the determinations required by this chapter.

(c) All applications for a grant or loan from the fund must include the following:

(1) A fully elaborated technical research or business plan, whichever applies, that is appropriate for review by outside experts as provided in this chapter.

(2) A detailed financial analysis that includes the commitment of resources by other entities that will be involved in the project.

(3) A statement of the economic development potential of the project, such as:

(A) a statement of the way in which support from the fund will lead to significantly increased funding from federal or private sources and from private sector research partners; or

(B) a projection of the jobs to be created.

(4) The identity, qualifications, and obligations of the applicant.

(5) Any other information that the board considers appropriate.

An applicant for a grant or loan from the fund may request that certain information that is submitted by the applicant be kept confidential. However, an applicant's projection of the jobs to be created by a project may not be kept confidential. The board shall make a determination of confidentiality as soon as is practicable. If the board determines that the information should not be kept confidential, the applicant may withdraw the application, and the board must return the information before making it part of any public record.

(d) An application for a grant or loan from the fund submitted by an academic researcher must be made through the office of the president of the researcher's academic institution with the express endorsement of the institution's president. An application for a grant

or loan from the fund submitted by a private researcher must be made through the office of the highest ranking officer of the researcher's institution with the express endorsement of the institution. Any other application must be made through the office of the highest ranking officer of the entity submitting the application. In the case of an application for a grant or loan from the fund that is submitted jointly by one (1) or more researchers or entities, the application must be endorsed by each institution or entity as required by this subsection. *As added by P.L.4-2005, SEC.34. Amended by P.L.137-2012, SEC.11.*

IC 5-28-16-4

Powers and duties of board

Sec. 4. (a) The board has the following powers:

- (1) To accept, analyze, and approve applications under this chapter.
- (2) To contract with experts for advice and counsel.
- (3) To employ staff to assist in carrying out this chapter, including providing assistance to applicants who wish to apply for a grant or loan from the fund, analyzing proposals, working with experts engaged by the board, and preparing reports and recommendations for the board.
- (4) To approve and recommend applications for grants or loans from the fund to the budget committee and budget agency.

(b) The board shall give priority to applications for grants or loans from the fund that:

- (1) have the greatest economic development potential; and
- (2) require the lowest ratio of money from the fund compared with the combined financial commitments of the applicant and those cooperating on the project.

(c) The board shall make final funding determinations for applications for grants or loans from the fund that will be submitted to the budget agency for review and approval. In making a determination on a proposal intended to obtain federal or private research funding, the board shall be advised by a peer review panel and shall consider the following factors in evaluating the proposal:

- (1) The scientific merit of the proposal.
- (2) The predicted future success of federal or private funding for the proposal.
- (3) The ability of the researcher to attract merit based scientific funding of research.
- (4) The extent to which the proposal evidences interdisciplinary or interinstitutional collaboration among two (2) or more Indiana postsecondary educational institutions or private sector partners, as well as cost sharing and partnership support from the business community.

The purposes for which grants and loans may be made include erecting, constructing, reconstructing, extending, remodeling, improving, completing, equipping, and furnishing research and technology transfer facilities.

(d) The peer review panel shall be chosen by and report to the board. In determining the composition and duties of a peer review panel, the board shall consider the National Institutes of Health and the National Science Foundation peer review processes as models. The members of the panel must have extensive experience in federal research funding. A panel member may not have a relationship with any private entity or postsecondary educational institution in Indiana that would constitute a conflict of interest for the panel member.

(e) In making a determination on any other application for a grant or loan from the fund involving a proposal to transfer research results and technologies into marketable products or commercial ventures, the board shall consult with experts as necessary to analyze the likelihood of success of the proposal and the relative merit of the proposal.

(f) A grant or loan from the fund may not be approved or recommended to the budget agency by the board unless the grant or loan has received a positive recommendation from a peer review panel described in this section.

As added by P.L.4-2005, SEC.34. Amended by P.L.1-2006, SEC.129; P.L.2-2007, SEC.109.

IC 5-28-16-5

Administrative expenses

Sec. 5. The board may use money in the fund to cover administrative expenses incurred in carrying out the requirements of this chapter.

As added by P.L.4-2005, SEC.34.

IC 5-28-16-6

Annual report

Sec. 6. The board shall submit an annual report to the legislative council before September 1. The report must be in an electronic format under IC 5-14-6 and must contain the following information concerning fund activity in the preceding state fiscal year:

- (1) The name of each entity receiving a grant from the fund.
- (2) The location of each entity sorted by:
 - (A) county, in the case of an entity located in Indiana; or
 - (B) state, in the case of an entity located outside Indiana.
- (3) The amount of each grant awarded to each entity.

As added by P.L.4-2005, SEC.34.